

1 HB569
2 106547-1
3 By Representatives Ison, McClurkin, McCutcheon, Hubbard,
4 Hammon, Williams and Mask
5 RFD: Education Appropriations
6 First Read: 19-FEB-09

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8 SYNOPSIS: Under existing law, the State Employees'
9 Insurance Board establishes premium rates to be
10 paid by state employees for health insurance
11 coverage and the Public Education Employees' Health
12 Insurance Board establishes premium rates to be
13 paid by public education employees for health
14 insurance coverage.

15 This bill will require the Boards to
16 establish a minimum employee premium contribution
17 rate to be effective October 1, 2009.

18 This bill will require the Boards to
19 increase minimum premium contribution rates based
20 on the consumer price index in each fiscal year.

21 This bill will also require the Public
22 Education Employees' Health Insurance Board to
23 increase the co-payment required for a physician's
24 office visit and will require the Board to collect
25 a premium from all active and retired employees who
26 elect to have family coverage.
27

1 A BILL
2 TO BE ENTITLED
3 AN ACT
4

5 To require the State Employees' Insurance Board and
6 the Public Education Employees' Insurance Board to establish
7 minimum contribution rates to be paid by employees; to provide
8 for increases in minimum premium rates based upon the consumer
9 price index; to require the Public Education Employees' Health
10 Insurance Board to increase the co-payment for a physician's
11 office visit; and to require the Public Education Employees'
12 Health Insurance Board to collect a premium from all active
13 and retired employees who elect to have family coverage.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. (a) Notwithstanding any other provision
16 of law, beginning October 1, 2009, the State Employees'
17 Insurance Board shall require active employees covered under
18 the basic medical plan of the State Employees' Health
19 Insurance Plan to pay a premium of not less than twenty-five
20 dollars (\$25) per month for single coverage and not less than
21 one hundred eighty dollars (\$180) per month for family
22 coverage.

23 (b) The State Employees' Insurance Board shall
24 increase the minimum active state employee premium rates and
25 the minimum retired state employee premium rates for retirees
26 who retire after October 1, 2009, and who are not eligible for
27 Medicare in each fiscal year by an amount which shall be equal

1 to the minimum premium rate in effect for the immediately
2 preceding fiscal year multiplied by the percentage increase in
3 the consumer price index for all urban consumers for the most
4 recent twelve-month period as published by the United States
5 Department of Labor, Bureau of Labor Statistics.

6 Section 2. (a) Notwithstanding any other provision
7 of law, beginning October 1, 2009, the Public Education
8 Employees' Health Insurance Board shall require active
9 employees covered under the basic medical plan of the Public
10 Education Employees' Health Insurance Plan to pay a premium of
11 not less than twenty-five dollars (\$25) per month for single
12 coverage and not less than one hundred eighty dollars (\$180)
13 per month for family coverage.

14 (b) The Public Education Employees' Health Insurance
15 Board shall increase the minimum active employee premium rates
16 and the minimum retired employee premium rates for retirees
17 who retire after October 1, 2009, and who are not eligible for
18 Medicare in each fiscal year by an amount which shall be equal
19 to the minimum premium rate in effect for the immediately
20 preceding fiscal year multiplied by the percentage increase in
21 the consumer price index for all urban consumers for the most
22 recent twelve-month period as published by the United States
23 Department of Labor, Bureau of Labor Statistics.

24 Section 3. Beginning October 1, 2009, the Public
25 Education Employees' Health Insurance Board shall increase the
26 co-payment required for a physician's office visit to a
27 minimum of twenty-five dollars (\$25).

1 Section 4. Beginning October 1, 2009, the Public
2 Education Employees' Health Insurance Board shall not allow
3 active or retired employees to combine their insurance
4 allocations with another active or retired employee for the
5 purpose of receiving family coverage without the payment of a
6 premium for the family coverage.

7 Section 5. This act shall become effective on the
8 first day of the third month following its passage and
9 approval by the Governor, or its otherwise becoming law.